

FOREIGN BROADCAST INFORMATION SERVICE

P. O. Box 2604  
Washington, D. C. 20013

100-284810

PHQ-6013

30 January 1986

[Redacted] Chief  
Nicosia Bureau, FBIS

STAT

Dear Chuck (and George):

The attached package is the final outcome of a raging battle I have been having with PICD for the past two weeks. They have conducted a full "audit" of the last two wagescales coming out of Nicosia and, despite earlier agreement with you, have come up with some different figures for the 23 June wagescale and the 1 July COLA computations. On the basis of this they have also done the latest COLA increases retroactive to 22 December 1985.

As near as I can figure the differences have arisen over bureau applying a constant within-grade increase to the COLA at each in-grade step, something which the Embassy is also doing in violation of directives from State Headquarters and something which I think PICD actually told you to do at the time of your last major wage survey.

Anyway, the bottom line is that PICD has been to State and has worked out with them the "proper" formula for applying COLA and other wage increases. This is contained in the attached memorandum and is the formula PICD would like you to use in future compensation schedule changes. If you do this it will--hopefully--save us from having to wait for PICD to come up with schedules for COLA increases rather than having the bureaus do them as they do now with across-the-board raises.

One concession I have wrested from PICD is contained in the last graph. Hopefully this will save you from changing the 23 June and 1 July schedules if that will cause great havoc with the Embassy and at RAIC. If your figures on these two wagescales are within 1 percent plus or minus of the PICD figures then your schedules can stand as is and PICD will accept them as "official." Since we do not have your full 23 June wagescale on hand will leave it to George to make the comparisons on the two existing wagescales and the upcoming 22 December 1985 wagescale incorporating the latest COLA increase. If they are within 1 percent of the PICD scales and you want to stick with

your schedules just send me an admin confirming these two facts and I will so advise PICD. If there is a greater variation, then I foresee a major problem and will gird my loins for an onslaught of cables on my least favorite subject.

The next time you have a COLA increase, suggest you use the PICD formula. If we continue to use a different formula we will eventually exceed the 1 percent margin and have big problems to contend with. I am aware that PICD has done a turnaround on you and is giving you slightly different dope than it gave you in earlier exchanges but I now have their sworn word of honor that the attached memo is the definitive word never, never to be changed again. They have also promised to spell  name correctly in future memos.

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I hope this does not cause undue heartburn, but doing it this way seemed the most painless way. Just let me know the outcome of George's comparison of the wagescales and pray for less than 1 percent difference. I will arrange a meeting between you and our PICD rep during the BCC to thrash out any problems you may have on this.

Best Regards,  
(or Hasta La Vista as we say  
south of the border)



Special Assistant  
Operations Group

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Enclosure

P.S. Some light at the end of the tunnel. Panama's FSN employees are on a GS scale. Not only does this simplify the wagescale process, but under Gramm-Rudman you will not have to contend with any increases until after 1991.